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FRANCE/TAIWAN/PRC: FRIGATES AND LOANS

France may soon proceed with a previously canceled sale of unarmed Lafayette-class frigates to Taiwan, according to press reports. The deal—worth about \$2 billion—reportedly would transfer six light frigates, the last two to be built in Taiwan. France and the PRC yesterday signed a \$370 million loan agreement to finance five major projects.

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1. Source: France Ref ID: Han 1/23/91

2. Classification: TS TS authority: None

3. Declassify or Downgrade: None

4. Info: None

5. Exemptions: None

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|--|---|
| <u>None</u> | <u>None</u> |
| <input type="checkbox"/> CLASSIFY as <u>None</u> | <input type="checkbox"/> S or <input type="checkbox"/> C OA |
| <input type="checkbox"/> DOWNGRADE TS to <u>None</u> | <input type="checkbox"/> S or <input type="checkbox"/> C OA |

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